

**Brigham Young University Trust Limited
(A limited company and registered charity)**

Annual Report and Financial Statements

Year ended 31 December 2010

Company number 1496990

Charity number 280605

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Brigham Young University Trust Limited

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Brigham Young University Trust Limited

Report of the trustees for the year ended 31st December 2010

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31st December 2010

Legal and administrative details

Charity number 280605

Company number 1496990

Principal Office 751 Warwick Road, Solihull, West Midlands, B91 3DQ

Bankers Barclays Bank PLC 155 Brompton Road, London, SW3 1XD

Solicitors Devonshires Salisbury House, London Wall, London, EC2M 5QY

Directors and trustees

The directors of the charitable company ('the Charity') are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees serving during the year and since the year-end were as follows

Robert John Mulligan

Gregory William Reeves

Rainer Herbert Gottlieb Wiborny

Structure, Governance and Management

Governing Document

Brigham Young University Trust Limited is a limited company and a registered charity. The Charity is governed by its Memorandum and Articles of Association.

Appointment of trustees

As set out in the Articles of Association, new or additional directors are to be appointed by the shareholder (Brigham Young University), providing such persons are willing so to act either to fill a vacancy or as an additional trustee.

The shareholder will also determine the rotation and time in which trustees are to retire. Currently no term is fixed to the term served. Trustees shall not be less than two or more than seven in number.

The shareholder may, from time to time, vary the minimum or maximum number of directors.

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity.

During the induction day they meet key employees and other trustees. Trustees are updated and advised on legal issues by Devonshires Solicitors.

Organisation

The board of trustees, which can have up to 7 members, administers the charity. The board meets at least twice a year. Reports are received in or around each October for the following financial year for approval by the Trustees. In or around March each year there is a financial report for the previous year.

The trustees monitor progress throughout the year and other trustees meetings are held as and when required.

Employees

The Charity has the policy of ensuring that its employees are those that are able to meet the necessary requirements of their position and are up to date on any developments required for their position. This is achieved in a variety of ways:

- Applications for new positions in the charity are invited from anyone with the relevant qualifications - the key emphasis is on their ability to meet the requirements of the position although the application form does request the applicant to mention if they have any illnesses or medical condition which the employer would need to be aware of in order to make reasonable adjustments should they be successful.
- The charity utilizes regular staff meetings during the year which help to ensure that the employees' input is received regarding any decisions which affect their interests. In addition there are websites and e-mail facilities available to enable more effective communication and training. This helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of the charity.
- In addition to the above points the charity is mindful of the need to cater for those with disabilities. Where any employees become incapacitated during their employment they are entitled to receive long term disability benefits from the charity. Where an employee becomes disabled but not incapacitated the employer will make any reasonable adjustments necessary. On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on technical ability of each employee.

Related parties

None

Risk management

Financial risk

The following statements summarize the charity's policy in managing identified forms of financial risk

- Price risk -- Salary costs are communicated to staff during the formal annual review of salaries
- Credit risk – Credit risk on amounts owed to the charity by its customers is low as the majority of its debtors are those who have been used frequently by the charity in the past and have a proven reliability
- Liquidity risk – The charity has no long-term borrowings Assurances of continuing financial support have been received from the parent company
- Interest rate cash flow risk – The charity is able to place surplus funds on short term deposit with the company's bankers

In addition the trustees have a risk management strategy which comprises

- an annual review of the risks the Charity may face,
- the establishment of systems and procedures to mitigate those risks identified in the plan, and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

Objectives and activities

The object of the Charity is

- To promote and further the educational and other charitable work of Brigham Young University in the United Kingdom or elsewhere

To achieve this objective Brigham Young University Trust Limited continues to operate the Study Abroad Program from the premises at 27 Palace Court, London, W2

The company's premises were managed on a day-to-day basis by David and Terri Shuler until the end of the year. From the beginning of 2011, the premises will be managed by Alvaro and Thais Magalhaes, who became employees of the company in 2011.

Due to its educational work, the Charity is registered with the Department of Education and Skills. It is also a member of the AASAP-UK (American Association of Study Abroad Providers)

Public benefit

The trustees have read and given due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties

Achievements and performance

The Charity is established for the advancement of education for the public benefit. This object is achieved by the provision of lectures, classes, seminars, educational field trips and cultural activities.

The Brigham Young University Trust programs provide an educational environment that is designed to promote the academic and cultural development of its students. It is administered from the BYU Provo campus by the Office of International Study Programs (ISP). In 2010 ISP sent 371 students on programs to the United Kingdom. The following table enumerates the programs which operated under the auspices of the Charity in 2010.

UK PROGRAMS - 2010

Program name and semester/term	Enrolment
Cambridge Honors Study Abroad – Summer 2010	34
England Music – Summer 2010	32
English Language – Summer 2010	22
London Theater Study Abroad – Spring 2010	40
London Accounting – Spring 2010	18
Europe Business – Spring 2010	34
Internships	6
*London General Education Study Abroad – Winter 2010	39
*London General Education Study Abroad – Spring 2010	41
*London General Education Study Abroad – Summer 2010	38
*London General Education Study Abroad – Fall 2010	38
Product Development – Spring 2010	11
Art History – Spring 2010	24
Total	377

*These programs are based at 27 Palace Court, London

Each semester, different students travel to London. A number of single discipline and interdisciplinary programs of study are offered, including courses in English, sociology, ancient scripture, history, language, literature, art and theatre. Students who complete these courses successfully are awarded credits which are counted towards their degree at Brigham Young University.

Any Brigham Young University student is able to apply to attend one of the study abroad programmes provided they are willing to live the Universities honour code. In addition, students from other universities who meet BYU's academic standards and who are willing to live by BYU's code of conduct are welcome to apply for, and if accepted participate in BYU's study abroad programmes. Typically, 8 to 10 percent of the participants are from Universities other than Brigham Young University. Because the programme tends to be oversubscribed, students are then selected on the basis of their academic merit and strengths that they could bring to the programme.

The charity is committed to providing access to students across the socio-economic spectrum, and admittance to the programme is determined without regard to the financial position of the applicant. Both Brigham Young University and the charity are committed to providing quality education to the best and brightest, regardless of their financial or class background. Many Brigham Young University students are recipients of Pell Grants - US federal grants that are awarded to US students based on their family's financial situation. A high percentage of Pell Grant recipients have family income of under \$40,000.

Brigham Young University itself, in addition to federal government grants, offers a wide range of financial aid, grants and scholarships to students. These grants and awards, which are means tested, enable students from less wealthy families to attend the University.

Around 50% of Brigham Young University students receive some form of financial aid and the financial aid from Brigham Young University can be used for the study abroad programme.

The proportion of students receiving financial aid mirrors the proportion of Brigham Young University students and admissions to the study abroad programme, as to the University, is on a needs blind basis. Further study abroad grants are available to Brigham Young University students on a 'needs basis' to help them cover the additional cost of studying abroad in order to enable students from a wide range of financial backgrounds to participate in the study abroad programme regardless of the students financial circumstances. During the period covered by this report, 30% of the Brigham Young University students who participated in the study abroad programme received study abroad grants (in addition to other financial aid) with a total value of \$300,000.

The Charity is an equal opportunities organization and is committed to a working and studying environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex or disability. The Charity makes reasonable adjustments to meet the needs of staff and students who are or become disabled.

Students and faculty live at the two impressive Victorian town-houses (one a former embassy) on Palace Court in west-central London.

Developments in 2010 include

- The United Kingdom Border Agency (UKBA) granted the Charity a Highly Trusted Sponsor's License which enhances its ability to sponsor student visas
- The Charity has become a member of the British Educational Travel Association
- The Charity has also expanded its ties with local Muslim, Sikh and Hindu communities
- The Charity has renewed its educational membership with the National Trust
- Finally, the Trust has begun the process of restructuring the way it is managed. With the departure of the Shulers, we have hired new resident directors and, we intend to place a full time academic director in the Centre over the next year

Financial Review

The Charity continues to be funded by a combination of rental income, interest and contributions from Brigham Young University in the US. Each year the trustees carry out a detailed review of the Charity. They review the previous year's achievements and review and approve the budgets for next year.

The end of the year saw a decrease in the incoming resources from £564,034 in 2009 to £443,588 in 2010. This was primarily due to the decrease in the donations from the parent company, Brigham Young University from £557,730 in 2009 to £439,218 in 2010 to cover expenses incurred for the year. The other incoming resources for the year were composed of rental income (£2,985) and interest income (£180).

Resources expended increased from £381,848 in 2009 to £437,927 in 2010. The main reason for this was increased costs in necessary maintenance of approximately £16,000 and an increase in program costs undertaken by the charity of approximately £17,000. In addition the general inflationary economic environment contributed to increased costs.

Incoming resources exceeded resources expended for the year by £5,661.

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the trustees deem to be in the best interests of the Charity.

There were no investments during the year

Reserves policy

None

Plans for future periods

In 2011 the Charity will be operating the following programs in the United Kingdom

Program name and semester/term	Enrolment
Cambridge Honors Study Abroad – Summer 2011	25
English Literature – Spring 2011	30
English Language – Summer 2011	22
London Theater Study Abroad – Spring 2011	35
London Accounting – Spring 2011	17
Internships (Throughout year)	10
*London General Education Study Abroad – Winter 2011	40
*London General Education Study Abroad – Spring 2011	41
*London General Education Study Abroad – Summer 2011	41
*London General Education Study Abroad – Fall 2011	41
Total	302

* These programs are based at 27 Palace Court, London

The following plans/issues will be dealt with in 2011

- There are several major planned maintenance projects scheduled for the Centre for 2011
These include painting and renovating some of the plumbing
- The Centre will continue with its plans on providing public educational opportunities for the Westminster community
The Centre will also continue its plans on restructuring its management with the creation of a full time academic director and the start of a "Scholar in Residence" program

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

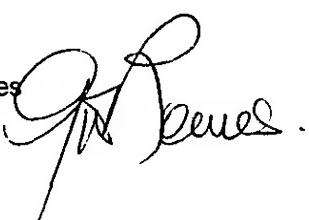
The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

As the Charity was entitled to avail of audit exemptions under section 477 of the Companies Act 2006, no audit was required for the accounts.

By order of the trustees

Gregg Reeves



Trustee

Date 04 April 2011

Independent Examiner's Report on the Accounts

Brigham Young University Trust Limited

for the year ended 31st December 2010

Respective responsibilities of trustees and examiner

The directors also act as trustees for the charitable activities of Brigham Young University Trust Limited

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed

It is my responsibility to

- a examine the accounts under section 43 of the 1993 Act,
- b to follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act, and
- c to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect, the requirements

- I To keep accounting records in accordance with section 41 of the 1993 Act, and
- II To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Signed

Name Paul Stobbs

Professional

Qualification Associate, Institute of Chartered Accountants in England & Wales

Address 1 Summer Hollow
Broadmore Green
Rushwick
Worcester
WR2 5TE

Date 4/4/2011

Brigham Young University Trust Limited
Statement of financial activities
for the year ended 31 December 2010

	Notes	2010 £	2009 £
Incoming resources			
Incoming resources from generated funds			
<i>Voluntary Income</i>			
Donations from Brigham Young University	1	439,218	557,730
Other donations		1,205	-
<i>Investment Income</i>			
Rental income	1	2,985	5,683
Interest income	1	180	621
		—————	—————
Total Incoming resources		443,588	564,034
Resources expended		—————	—————
Charitable activities	2b	437,527	381,473
Governance costs	2c	400	375
		—————	—————
Total resources expended		437,927	381,848
		—————	—————
Net movement in funds		5,661	182,186
Total funds brought forward		241,829	59,643
		—————	—————
Total funds carried forward		247,490	241,829
		—————	—————

The Statement of Financial Activities constitutes an Income and Expenditure account for the purposes of the Companies Act 2006

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities

The result for the year arises from the company's continuing activities

The notes on pages 12 to 14 form part of these financial statements

Brigham Young University Trust Limited

Balance sheet as at 31st December 2010

	Notes	2010 £	2009 £
Current Assets			
Cash at Bank and in hand		214,569	244,124
Debtors and prepayments		37,426	-
Creditors: Amounts falling due within one year	4	(4,405)	(2,195)
Total assets less current liabilities		<u>247,590</u>	<u>241,929</u>
The funds of the charity			
Unrestricted income funds			
Unrestricted income		247,490	241,829
Called up share capital	5	100	100
Total charity funds		<u>247,590</u>	<u>241,929</u>

Audit Exemption Statement

For the year ending 31 December 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Directors' responsibilities

* the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

* the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,

* these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

Approved by the board

Gregg Reeves

Trustee

Date



Brigham Young University Trust Limited

Accounting policies

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the SORP 2005 and under the historical cost convention in accordance with applicable accounting concepts

ACCOUNTING CONCEPT

The Company's basis of accounting is that income is recorded on the accruals basis. Expenditure is recorded on a cash basis but modified for certain items of accrued expenditure. The effect of not preparing financial statements fully on the accruals basis is not considered by the directors to be material.

CASH FLOW STATEMENT

No cash flow statement has been prepared as the Company meets the small company exemption limits as defined by S477 of the Companies Act 2006

FRS 18

The directors have reviewed the accounting policies and confirmed that they are the most applicable

PENSION CONTRIBUTIONS

The Company is party to a defined benefit scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans (see note 10). The fund is valued every three years by a professionally qualified independent actuary, with rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of contributions made during the year or accrued at the year-end (i.e. on a defined contribution basis), as required by Financial Reporting Standard 17 "Retirement Benefits" in circumstances where the Company cannot identify with any degree of accuracy its share of the scheme assets and liabilities. The Company provides no other past retirement benefits to its employees.

Full details of the plan are provided in the financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain)

Brigham Young University Trust Limited
Notes to the financial statements
for the year ended 31st December 2010

1 Incoming resources

Donations totalling £439,218 (2009 £557,730) were contributed by Brigham Young University
 Other donations in the year totalled £1,205 (2009 £0)

Rental income of £2,985 (2009 £5,683) was wholly generated in the United Kingdom

Interest income totalling £180 (2009 £621) was derived from funds held in the bank accounts

2a Analysis of charitable activities

	Total 2010 £	Total 2009 £
Provision of educational facilities	437,527	381,473

2b Charitable activities allocation

	Total £
Staff costs	35,078
General office	18,662
Food and kitchen supplies	75,650
Rates and insurance	26,230
Maintenance & repairs	62,137
Utilities	31,757
Telephone	4,374
Travel	4,292
Mailing	2,078
Other expenditure	2,278
Professional fees	3,280
Program Costs	171,711
	437,527

All of the above charitable costs constitute support costs and entirely relate to the provision of educational facilities

2c Governance costs

	Total 2010 £	Total 2009 £
Accounting costs	400	375

Certain management and administrative costs, have been borne by The Church of Jesus Christ of Latter-day Saints (Great Britain)

Brigham Young University Trust Limited

Notes to the financial statements

for the year ended 31st December 2010

3 Employees	2010 No	2009 No
Employed by the company during the year was		
Office cleaning	5	4
	2010 £	2009 £
Staff costs for the above persons		
Wages and salaries	33,161	28,362
Social security costs	1,916	1,874
	35,078	30,236
 DIRECTORS' REMUNERATION		
None of the directors who served during the year ended 31 December 2010 received remuneration from this company, nor was any charge made to the company for their services by any other group company. Additionally, no director received reimbursement for expenses incurred during the year.		
4 Creditors Amounts falling due within one year	2010 £	2009 £
Other creditors	4,405	2,195
5 Share capital	2010 £	2009 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted and issued		
100 ordinary shares of £1 each	100	100
6 Reconciliation of movement in shareholders' funds - unrestricted	2010 £	2009 £
Surplus for the financial year	5,661	182,186
Opening shareholders' funds	241,929	59,743
Closing shareholders' funds	247,590	241,929

Brigham Young University Trust Limited
Notes to the financial statements
for the year ended 31st December 2010

7 Related party transactions

The parent company is Brigham Young University, a corporation incorporated in the state of Utah, United States of America

Brigham Young University provides grant income to Brigham Young University Trust Limited For the year ended 31 December 2010 this amounted to £439,218 (2009 £557,730)

The premises at 27 Palace Court is owned by The Church of Jesus Christ of Latter-day Saints (Great Britain) and is provided rent-free

8 Ultimate holding company

The Company is owned by Brigham Young University, a company incorporated in USA

The ultimate holding company and controlling party is The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, a corporation incorporated in the state of Utah in the United States of America

9 Future finance

Brigham Young University has confirmed that it will provide the funds to support the Company's future activities

10 Pension and other post employment commitments

The Company participates in a pension scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans ("The Plan") The scheme is of the defined benefit type and is funded by contributions from the participating companies and their employees at rates determined by independent actuaries in the light of regular valuations Such contributions are held in trustee-administered funds completely independent of group finances Full disclosure of the valuation is shown in the accounts of The Church of Jesus Christ of Latter-day Saints (Great Britain) The Company has accounted for the scheme as if it was a defined contribution scheme because it is not feasible to split the assets and liabilities of the scheme between all the companies whose employees are members Contributions to the scheme for the year were £0 (2009 £0)